

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ Airtel

FBI

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 10/05/87

TO: DIRECTOR, FBI

FROM: SAC, CHICAGO (194C-New) (P) (SQ13/NRA)

MICHAEL J. O'MALLEY - TRUSTEE,
 VILLAGE OF HOFFMAN ESTATES, ILLINOIS;
 HOBBS ACT - CORRUPTION OF
 POLICE OFFICIALS;
 OO: CHICAGO

Enclosed herewith for the Bureau are the original
 and three copies of a letterhead memorandum suitable for
 dissemination regarding captioned matter.

ADMINISTRATIVE:

Confidential source referenced in attached LHM is

b7D

DE-181

V-16

17 OCT 19 1987

2 - Bureau (Enc. 4)
 2 - Chicago

DES:dak 2cc-crim, DCS, PIS
 (4) 1cc-WCC
 E.H. da
 20/87

1*

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 b7C

Approve

Transmitted

(Number)

(Time)

Per

95 MAY 23 1988



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

Chicago, Illinois
October 5, 1987

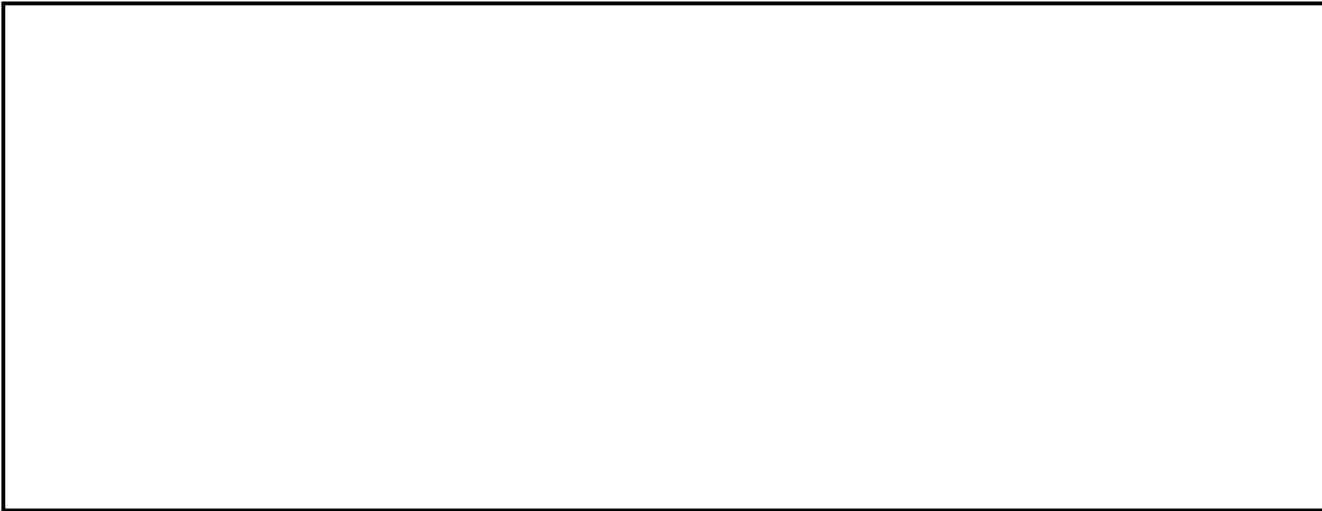
MICHAEL J. O'MALLEY - TRUSTEE,
VILLAGE OF HOFFMAN ESTATES,
ILLINOIS;
HOBBS ACT - CORRUPTION OF
PUBLIC OFFICIAL

b6
b7C
b7D

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

194-7262-1
ENCLOSURE

MICHAEL J. O'MALLEY - TRUSTEE



b7D

On October 5, 1987, Assistant United States Attorney
(AUSA) [redacted] Northern District of Illinois, Chicago,
advised that [redacted]
AUSA [redacted]

b5
b6
b7C

Therefore, in view of the above, the Chicago
Division is initiating a full investigation regarding this
matter.

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 03/05/88

TO: DIRECTOR, FBI

FROM: ACTING SAC, CHICAGO (194C-779)(P)(SQ13/NRA)

MICHAEL J. O'MALLEY - TRUSTEE,
 VILLAGE OF HOFFMAN ESTATES, ILLINOIS;
 HOBBS ACT - CORRUPTION OF
 PUBLIC OFFICIALS;
 OO: CHICAGO

Re Chicago airtel and LHM to FBIHQ dated October 5,
 1987.

Enclosed herewith for the Bureau are the original
 and three copies of a letterhead memorandum suitable
 for dissemination regarding captioned matter.

ADMINISTRATIVE:

LHM is Confidential source referenced in attached

2 - Bureau (Enc. 4)
 2 - Chicago

DES:dak
 (4)

200 of 1000 DOD, PIS
 100-200000-100-4
 WCM/LOP
 10/1/87

1*

Approved: AKT/MRE

Transmitted

(Number)

(Time)

Per

b7D

b6
 b7C

18APR201988



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

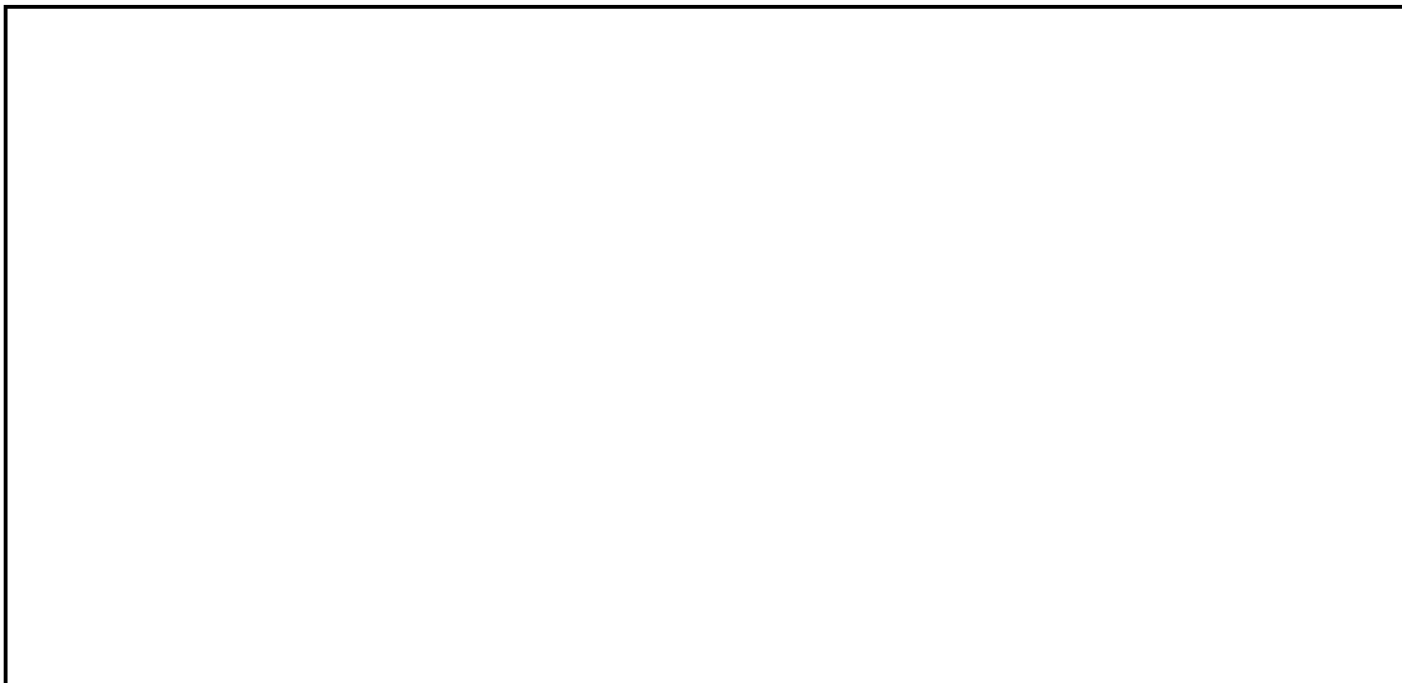
Chicago, Illinois 60604
March 5, 1988

MICHAEL J. O'MALLEY - TRUSTEE,
VILLAGE OF HOFFMAN ESTATES,
ILLINOIS;
HOBBS ACT - CORRUPTION OF
PUBLIC OFFICIAL



b6
b7C
b7D

MICHAEL J. O'MALLEY, Trustee, who was formerly
employed by the Chicago Police Department and the Cook County
Environmental Department, is suspected of accepting payoffs.

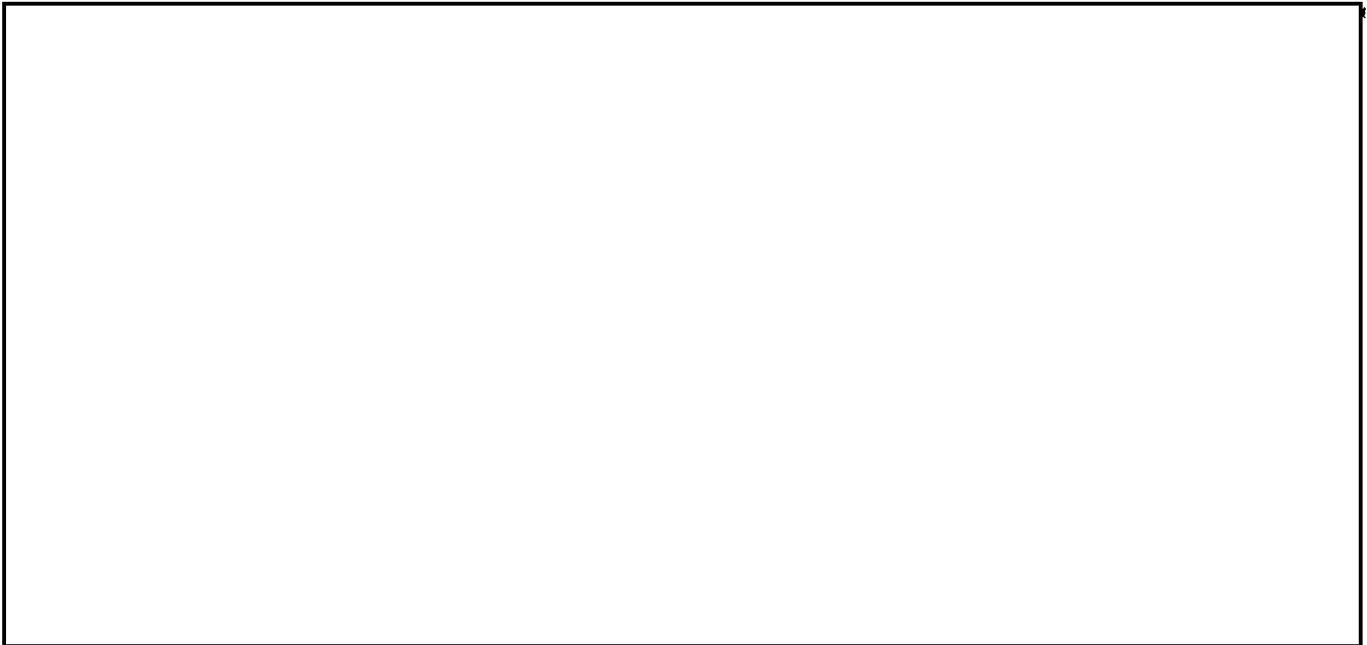


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nor conclusions of the FBI. It is the property
of the FBI and is loaned to your agency; it and
its contents are not to be distributed outside
your agency.

194 / 7262-2

ENCLOSURE

MICHAEL J. O'MALLEY



b6
b7C
b7D

On February 26, 1988, Assistant United States Attorney
(AUSA) [redacted] Northern District of Illinois, at
Chicago [redacted]

b5
b6
b7C

[redacted]
[redacted] Chicago is continuing with its investigation.

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 10/19/88

To : Director, FBI (Attention: Criminal Investigative Division)
 From : SAC, CHICAGO (194B-779)
 Subject : Public Corruption Data Transmittal Form

b6
b7C

1. Title: (use additional page if necessary)

MICHAEL J. O'MALLEY - TRUSTEE; VILLAGE OF HOFFMAN ESTATES, ILLINOIS: HOBBS
 ACT-CPO; OO: CHICAGO.

Re: CG airtel to Bureau dated 3/5/88

2. ☐ Enclosed are the original and three copies of a LHM for dissemination purposes.
(check if appropriate)3. Office of Origin File No. 194B- 779 (include alpha)4. ☒ Initial submission ☐ Supplemental submission (check one)5. Date opened upon SAC authority 10/16/87

6. Level of subject official (See codes on reverse. Use additional pages, as necessary, for additional subjects.)

Level M04 Number of Subject(s) 1
 Level _____ Number of Subject(s) _____
 Level _____ Number of Subject(s) _____

7. Indicate which of the following investigative techniques have been utilized to date.
(check all appropriate boxes)

Code Number / Description

☐ Acct. Tech. Assist.
☐ Aircraft Assist.
☐ Computer Assist.
☐ Consensual Monitoring
☐ Elsur - FISC
☐ Elsur - Title III
☐ Eng. Sect. Field Support
☐ Eng. Sect. Tape Exams
☐ Hypnosis Assist.
☐ Ident Div. Assist.
☐ Symbolized Informant
☐ Cooperating Witness
☐ Cooperating Subject
☐ Lab. Div. Exams
☐ Lab. Div. Field Support

Code Number / Description

☐ Pen Registers
☐ Photo Coverage
☐ Polygraph Assist.
☐ Search Warrants Use
☐ Show Money Use
☐ Surveillance Squad Use
☐ Swat Team
☐ Tech. Agent
☐ Telephone Toll Records
☐ Group I UCO
☐ Group II UCO
☐ Undercover - Other
☐ NCAVG/VI - CAP
☐ VIA

b7E

2 - Field Office

③ - FBIHQ

(1 - White-Collar Crimes Section, Public Corruption Unit)

WRE/las (5)

b6
b7C

Approved: _____ Transmitted _____ Per _____
 (Number) (Time)

2 CC TO WCCS, RM 3849
 DATE: 10/20/88 BY: _____

8. Type of Corruption Investigated *check all appropriate boxes*

Code Number Description

(A) Judicial Corruption

A1 ☐ Federal

A2 ☐ State

A3 ☐ Local

A4 ☐ Territorial

(C) Contract Corruption

C1 ☐ Federal

C2 ☐ State

C3 ☐ Local

C4 ☐ Territorial

(E) Law Enforcement Corruption

E1 ☐ Federal

E2 ☐ State

E3 ☐ Local

E4 ☐ Territorial

Code Number Description

(B) Legislative Corruption

B1 ☐ Federal

B2 ☐ State

B3 ☒ Local

B4 ☐ Territorial

(D) Regulatory Corruption

D1 ☐ Federal

D2 ☐ State

D3 ☐ Local

D4 ☐ Territorial

9. Does corruption involve drug related activity? *(check one)* ☐ Yes ☒ No

10. Statistical Accomplishments *(number since last submission)* None.

A. Complaints _____

B. Informants _____

C. Indictments _____

D. Convictions _____

E. Pre-trial Diversions _____

F. Acquittal _____

G. Recoveries _____

H. Restitutions _____

I. Potential Economic

Loss Prevented _____

11. Forfeiture Provisions Utilized *(check one)* ☐ Yes ☒ No

12. Status of Case *(check one)*

☐ Pending Preliminary Inquiry

☒ Pending Full Investigation

☐ Closed

13. Basis for Closing *(check one)*

☐ U.S. Attorney Declination

☐ Dismissal

☐ Acquittal

☐ Conviction

☐ Administrative by SAC (no other basis involved)

Additional Administrative Data *(if needed)*:

Confidential source is

b7D

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 05/04/89

To : Director, FBI (Attention: Criminal Investigative Division)
 From : SAC, CHICAGO (194B-779)
 Subject : Public Corruption Data Transmittal Form

1. Title: (use additional page if necessary)

MICHAEL J. O'MALLEY - TRUSTEE; VILLAGE OF HOFFMAN ESTATES,
 ILLINOIS; HOBBS ACT - CPO; OO: CHICAGO

Re: Chicago airtel to Bureau dated March 5, 1988 and October 19, 1988.

2. ☐ Enclosed are the original and three copies of a LHM for dissemination purposes.
(check if appropriate) **SL3**

3. Office of Origin File No. 194B-779 (include alpha)

4. ☐ Initial submission ☒ Supplemental submission (check one)

5. Date opened upon SAC authority 10/16/87

6. Level of subject official (See codes on reverse. Use additional pages, as necessary, for additional subjects.)

Level M04 Number of Subject(s) 1
 Level _____ Number of Subject(s) _____
 Level _____ Number of Subject(s) _____

7. Indicate which of the following investigative techniques have been utilized to date.
(check all appropriate boxes)

Code Number / Description

Acct. Tech. Assist.
 Aircraft Assist.
 Computer Assist.
 Consensual Monitoring
 Elsur - FISC
 Elsur - Title III
 Eng. Sect. Field Support
 Eng. Sect. Tape Exams
 Hypnosis Assist.
 Ident Div. Assist.
 Symbolized Informant
 Cooperating Witness
 Cooperating Subject
 Lab. Div. Exams
 Lab. Div. Field Support

Code Number / Description

Pen Registers
 Photo Coverage
 Polygraph Assist.
 Search Warrants Use
 Show Money Use
 Surveillance Squad Use
 Swat Team
 Tech. Agent 11-7262-4
 Telephone Toll Records
 Group I UCO
 Group II UCO
 Undercover - Other 12 1239
 NCAVG/VI - CAP
 VIA

2 - Field Office

3 - FBIHQ

(1 - White-Collar Crimes Section, Public Corruption Unit)

WRE/dak
 (5)

Approved: JDM/WRE

Transmitted _____

(Number)

(Time)

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b7C

b7E

b6
b7C

34 LAirtel 1 CC TO WCCS, RM 3849

DATE: 5-15-89 BY: I.P.J.

Codes for Levels of Officials

Federal		Local (Continued)	
K01	President	M13	Law Enforcement Officer - command position Field Office or SSRA city
K02	Vice-President	M14	Law Enforcement Officer - command position Non-Field Office or SSRA city
K03	Cabinet Level	M15	Law Enforcement Officer - ranking officer Field Office or SSRA city
K04	U.S. Senator	M16	Law Enforcement Officer - ranking officer Non-Field Office or SSRA city
K05	U.S. Representative	M17	Other Elected Officials - Field Office or SSRA city
K06	Judge	M18	Other Elected Officials - Non-Field Office or SSRA city
K07	Prosecutor	M19	Public Employee (appointed) - Field Office or SSRA city, managerial level or above
K08	Law Enforcement Official	M20	Public Employee (appointed) - Non-Field Office or SSRA city, managerial level or above
K09	Federal Employee, GS-13 and above	M21	Public Employee (appointed) - Field Office or SSRA city, less than managerial
K10	Federal Employee, GS-12 and below	M22	Public Employee (appointed) - Non-Field Office or SSRA city, less than managerial
K11	Military Personnel, commissioned		
K12	Military Personnel, non-commissioned		
State		Territorial	
L01	Governor	N01	Governor
L02	Lt. Governor	N02	Lt. Governor
L03	Cabinet Level	N03	Cabinet Level
L04	Senator	N04	Senator
L05	Representative	N05	Representative
L06	Judge	N06	Judge
L07	Prosecutor	N07	Prosecutor
L08	Law Enforcement Officer	N08	Law Enforcement Officer
L09	State Employee, managerial or above	N09	Territorial Employee, managerial or above
L10	State Employee, less than managerial	N10	Territorial Employee, less than managerial
Local			
M01	Mayor - Field Office or SSRA city		
M02	Mayor - Non-Field Office or SSRA city		
M03	Legislator (Commissioner, Council- man, etc.) Field Office or SSRA city		
M04	Legislator (Commissioner, Council- man, etc.) Non-Field Office or SSRA city		
M05	Judge - Field Office or SSRA city		
M06	Judge - Non-Field Office of SSRA city		
M07	Prosecutor - Field Office or SSRA city		
M08	Prosecutor - Non-Field Office or SSRA city		
M09	Chief of Police - Field Office or SSRA city		
M10	Chief of Police - Non-Field Office or SSRA city		
M11	Sheriff - Field Office or SSRA city		
M12	Sheriff - Non-Field Office or SSRA city		

8. Type of Corruption Investigated (check all appropriate boxes)

Code Number/Description

- (A) Judicial Corruption
A1 ☐ Federal
A2 ☐ State
A3 ☐ Local
A4 ☐ Territorial

- (C) Contract Corruption
C1 ☐ Federal
C2 ☐ State
C3 ☐ Local
C4 ☐ Territorial

- (E) Law Enforcement Corruption
E1 ☐ Federal
E2 ☐ State
E3 ☐ Local
E4 ☐ Territorial

Code Number/Description

- (B) Legislative Corruption
B1 ☐ Federal
B2 ☐ State
B3 ☒ Local
B4 ☐ Territorial

- (D) Regulatory Corruption
D1 ☐ Federal
D2 ☐ State
D3 ☐ Local
D4 ☐ Territorial

9. Does corruption involve drug related activity? (check one) ☐ Yes ☒ No

10. Statistical Accomplishments (number since last submission)

- | | | | |
|-------------------------|-------|-----------------------|-------|
| A. Complaints | _____ | F. Acquittal | _____ |
| B. Informants | _____ | G. Recoveries | _____ |
| C. Indictments | _____ | H. Restitutions | _____ |
| D. Convictions | _____ | I. Potential Economic | _____ |
| E. Pre-trial Diversions | _____ | Loss Prevented | _____ |

11. Forfeiture Provisions Utilized (check one) ☐ Yes ☒ No

12. Status of Case (check one)

- ☐ Pending Preliminary Inquiry
☒ Pending Full Investigation
☐ Closed

13. Basis for Closing (check one)

- ☐ U.S. Attorney Declination
☐ Dismissal
☐ Acquittal
☐ Conviction
☐ Administrative by SAC (no other basis involved)

Additional Administrative Data (if needed):

Confidential source is

b7D

FBI

TRANSMIT VIA:

PRECEDENCE:

CLASSIFICATION:

SSP

- ☐ Teletype
☐ Facsimile
☒ AIRTEL

- ☐ Immediate
☐ Priority
☐ Routine

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

CLASS

SRC'D

SER

REC

Date 09/22/89

To : Director, FBI (Attention: Criminal Investigative Division)
 From : SAC, CHICAGO (194B-779)(P)
 Subject : Public Corruption Data Transmittal Form

1. Title: (use additional page if necessary)

CHANGED; MICHAEL J. O'MALLEY - MAYOR; VILLAGE OF HOFFMAN
 ESTATES, ILLINOIS; HOBBS ACT - CPO; OO: CHICAGO

Re: Chicago airtel dated March 5, 1988 and October 19, 1988.

2. ☐ Enclosed are the original and three copies of a LHM for dissemination purposes.
(check if appropriate)3. Office of Origin File No. 194B - 779 (include alpha)4. ☐ Initial submission ☒ Supplemental submission (check one)5. Date opened upon SAC authority 10/16/87

6. Level of subject official (See codes on reverse. Use additional pages, as necessary, for additional subjects.)

Level MOI mo Number of Subject(s) 1
 Level _____ Number of Subject(s) _____
 Level _____ Number of Subject(s) _____

7. Indicate which of the following investigative techniques have been utilized to date.
(check all appropriate boxes)

Code Number / Description

☐ Acct. Tech. Assist.
☐ Aircraft Assist.
☐ Computer Assist.
☐ Consensual Monitoring
☐ Elsur - FISC
☐ Elsur - Title III
☐ Eng. Sect. Field Support
☐ Eng. Sect. Tape Exams
☐ Hypnosis Assist.
☐ Ident Div. Assist.
☐ Symbolized Informant
☐ Cooperating Witness
☐ Cooperating Subject
☐ Lab. Div. Exams
☐ Lab. Div. Field Support

Code Number / Description

☐ Pen Registers
☐ Photo Coverage
☐ Polygraph Assist.
☐ Search Warrants Use
☐ Show Money Use
☐ Surveillance Squad Use
☐ Swat Team
☐ Tech. Agent
☐ Telephone Toll Records
☐ Group I UCO
☐ Group II UCO
☐ Undercover - Other
☐ NCAVG/VI - CAP
☐ VIA

2 - Field Office

③ - FBIHQ

(1 - White-Collar Crimes Section, Public Corruption Unit)

DES:dak

(5)

Approved: pm/wrk

Transmitted _____

(Number)



b7E

b6
b7C

1 Airtel +1 CC TO WCCS, RM 3849

DATE: 10-12-89 BY: I. P. J.

FBI/DOJ

Codes for Levels of Officials

Federal		Local (Continued)	
K01	President	M13	Law Enforcement Officer - command position Field Office or SSRA city
K02	Vice-President	M14	Law Enforcement Officer - command position Non-Field Office or SSRA city
K03	Cabinet Level	M15	Law Enforcement Officer - ranking officer Field Office or SSRA city
K04	U.S. Senator	M16	Law Enforcement Officer - ranking officer Non-Field Office or SSRA city
K05	U.S. Representative	M17	Other Elected Officials - Field Office or SSRA city
K06	Judge	M18	Other Elected Officials - Non-Field Office or SSRA city
K07	Prosecutor	M19	Public Employee (appointed) - Field Office or SSRA city, managerial level or above
K08	Law Enforcement Official	M20	Public Employee (appointed) - Non-Field Office or SSRA city, managerial level or above
K09	Federal Employee, GS-13 and above	M21	Public Employee (appointed) - Field Office or SSRA city, less than managerial
K10	Federal Employee, GS-12 and below	M22	Public Employee (appointed) - Non-Field Office or SSRA city, less than managerial
K11	Military Personnel, commissioned		
K12	Military Personnel, non-commissioned		
State		Territorial	
L01	Governor	N01	Governor
L02	Lt. Governor	N02	Lt. Governor
L03	Cabinet Level	N03	Cabinet Level
L04	Senator	N04	Senator
L05	Representative	N05	Representative
L06	Judge	N06	Judge
L07	Prosecutor	N07	Prosecutor
L08	Law Enforcement Officer	N08	Law Enforcement Officer
L09	State Employee, managerial or above	N09	Territorial Employee, managerial or above
L10	State Employee, less than managerial	N10	Territorial Employee, less than managerial
Local			
M01	Mayor - Field Office or SSRA city		
M02	Mayor - Non-Field Office or SSRA city		
M03	Legislator (Commissioner, Council- man, etc.) Field Office or SSRA city		
M04	Legislator (Commissioner, Council- man, etc.) Non-Field Office or SSRA city		
M05	Judge - Field Office or SSRA city		
M06	Judge - Non-Field Office or SSRA city		
M07	Prosecutor - Field Office or SSRA city		
M08	Prosecutor - Non-Field Office or SSRA city		
M09	Chief of Police - Field Office or SSRA city		
M10	Chief of Police - Non-Field Office or SSRA city		
M11	Sheriff - Field Office or SSRA city		
M12	Sheriff - Non-Field Office or SSRA city		

8. Type of Corruption Investigated (check all appropriate boxes)

Code Number/Description

(A) Judicial Corruption
A1 ☐ Federal
A2 ☐ State
A3 ☐ Local
A4 ☐ Territorial

(C) Contract Corruption
C1 ☐ Federal
C2 ☐ State
C3 ☐ Local
C4 ☐ Territorial

(E) Law Enforcement Corruption
E1 ☐ Federal
E2 ☐ State
E3 ☐ Local
E4 ☐ Territorial

Code Number/Description

(B) Legislative Corruption
B1 ☐ Federal
B2 ☐ State
B3 ☒ Local
B4 ☐ Territorial

(D) Regulatory Corruption
D1 ☐ Federal
D2 ☐ State
D3 ☐ Local
D4 ☐ Territorial

9. Does corruption involve drug related activity? (check one) ☐ Yes ☒ No

10. Statistical Accomplishments (number since last submission)

A. Complaints	_____	F. Acquittal	_____
B. Informants	_____	G. Recoveries	_____
C. Indictments	_____	H. Restitutions	_____
D. Convictions	_____	I. Potential Economic	_____
E. Pre-trial Diversions	_____	Loss Prevented	_____

11. Forfeiture Provisions Utilized (check one) ☐ Yes ☐ No

12. Status of Case (check one)

☐ Pending Preliminary Inquiry
☒ Pending Full Investigation
☐ Closed

13. Basis for Closing (check one)

☐ U.S. Attorney Declination
☐ Dismissal
☐ Acquittal
☐ Conviction
☐ Administrative by SAC (no other basis involved)

Additional Administrative Data (if needed):

Title CHANGED;

MICHAEL J. O'MALLEY was formerly a Village Trustee, but recently elected Mayor.

Alpha character changed from C to B to reflect proper classification.

Confidential source is

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☒ AIRTEL

SER
REC

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 05/09/90

To : Director, FBI (Attention: Criminal Investigative Division)

From : SAC, CHICAGO (194B-779) (C)

Subject : Public Corruption Data Transmittal Form

1. Title: (use additional page if necessary)

MICHAEL J. O'MALLEY - MAYOR; VILLAGE OF HOFFMAN ESTATES, ILLINOIS;
 HOBBS ACT - CPO; OO: CHICAGO

Re:

2. ☒ Enclosed are the original and three copies of a LHM for dissemination purposes.
(check if appropriate)

3. Office of Origin File No. 194B - 779 (include alpha)

4. ☐ Initial submission ☒ Supplemental submission (check one)

5. Date opened upon SAC authority 10/16/87

6. Level of subject official (See codes on reverse. Use additional pages, as necessary, for additional subjects.)

Level M01 Number of Subject(s) 1
 Level _____ Number of Subject(s) _____
 Level _____ Number of Subject(s) _____

7. Indicate which of the following investigative techniques have been utilized to date.
(check all appropriate boxes)

Code Number / Description

☐ Acct. Tech. Assist.
☐ Aircraft Assist.
☐ Computer Assist.
☐ Consensual Monitoring
☐ Elsur - FISC
☐ Elsur - Title III
☐ Eng. Sect. Field Support
☐ Eng. Sect. Tape Exams
☐ Hypnosis Assist.
☐ Ident Div. Assist.
☐ Symbolized Informant
☐ Cooperating Witness
☐ Cooperating Subject
☐ Lab. Div. Exams
☐ Lab. Div. Field Support

Code Number / Description

☐ Pen Registers
☐ Photo Coverage
☐ Polygraph Assist.
☐ Search Warrants Use
☐ Show Money Use
☐ Surveillance Squad Use
☐ Swat Team
☐ Tech. Agent
☐ Telephone Toll Records
☐ Group I UCO
☐ Group II UCO
☐ Undercover - Other
☐ NCAVG/VI - CAP
☐ VIA

2 - Field Office (Enc. 1)

3 - FBIHQ (Enc. 4)
 (1 - White-Collar Crimes Section, Public Corruption Unit)

DES:dak
 (5)

Approved: JP/RE

Transmitted _____

(Number)

(Time)

Per _____

2 CC'S TO DOJ/PIS

1 CC TO WCCS, RM 3849

DATE: 5/29/90 BY: IPJ

b7E

b6
 b7C

Codes for Levels of Officials

Federal		Local (Continued)	
K01	President	M13	Law Enforcement Officer - command position Field Office or SSRA city
K02	Vice-President	M14	Law Enforcement Officer - command position Non-Field Office or SSRA city
K03	Cabinet Level	M15	Law Enforcement Officer - ranking officer Field Office or SSRA city
K04	U.S. Senator	M16	Law Enforcement Officer - ranking officer Non-Field Office or SSRA city
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K06	Judge	M18	Other Elected Officials - Non-Field Office or SSRA city
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K10	Federal Employee, GS-12 and below	M22	Public Employee (appointed) - Non-Field Office or SSRA city, less than managerial
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K12	Military Personnel, non-commissioned		
State		Territorial	
L01	Governor	N01	Governor
L02	Lt. Governor	N02	Lt. Governor
L03	Cabinet Level	N03	Cabinet Level
L04	Senator	N04	Senator
L05	Representative	N05	Representative
L06	Judge	N06	Judge
L07	Prosecutor	N07	Prosecutor
L08	Law Enforcement Officer	N08	Law Enforcement Officer
L09	State Employee, managerial or above	N09	Territorial Employee, managerial or above
L10	State Employee, less than managerial	N10	Territorial Employee, less than managerial
Local			
M01	Mayor - Field Office or SSRA city		
M02	Mayor - Non-Field Office or SSRA city		
M03	Legislator (Commissioner, Council- man, etc.) Field Office or SSRA city		
M04	Legislator (Commissioner, Council- man, etc.) Non-Field Office or SSRA city		
M05	Judge - Field Office or SSRA city		
M06	Judge - Non-Field Office of SSRA city		
M07	Prosecutor - Field Office or SSRA city		
M08	Prosecutor - Non-Field Office or SSRA city		
M09	Chief of Police - Field Office or SSRA city		
M10	Chief of Police - Non-Field Office or SSRA city		
M11	Sheriff - Field Office or SSRA city		
M12	Sheriff - Non-Field Office or SSRA city		

8. Type of Corruption Investigated (check all appropriate boxes)

Code Number/Description

- (A) Judicial Corruption
A1 ☐ Federal
A2 ☐ State
A3 ☐ Local
A4 ☐ Territorial

- (C) Contract Corruption
C1 ☐ Federal
C2 ☐ State
C3 ☐ Local
C4 ☐ Territorial

- (E) Law Enforcement Corruption
E1 ☐ Federal
E2 ☐ State
E3 ☐ Local
E4 ☐ Territorial

Code Number/Description

- (B) Legislative Corruption
B1 ☐ Federal
B2 ☐ State
B3 ☒ Local
B4 ☐ Territorial

- (D) Regulatory Corruption
D1 ☐ Federal
D2 ☐ State
D3 ☐ Local
D4 ☐ Territorial

9. Does corruption involve drug related activity? (check one) ☐ Yes ☒ No

10. Statistical Accomplishments (number since last submission)

- | | | | |
|-------------------------|-------|-----------------------|-------|
| A. Complaints | _____ | F. Acquittal | _____ |
| B. Informants | _____ | G. Recoveries | _____ |
| C. Indictments | _____ | H. Restitutions | _____ |
| D. Convictions | _____ | I. Potential Economic | _____ |
| E. Pre-trial Diversions | _____ | Loss Prevented | _____ |

11. Forfeiture Provisions Utilized (check one) ☐ Yes ☒ No

12. Status of Case (check one)

- ☐ Pending Preliminary Inquiry
☐ Pending Full Investigation
☒ Closed

13. Basis for Closing (check one)

- ☒ U.S. Attorney Declination
☐ Dismissal
☐ Acquittal
☐ Conviction
☐ Administrative by SAC (no other basis involved)

Additional Administrative Data (if needed):



U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

CHICAGO, ILLINOIS 60604

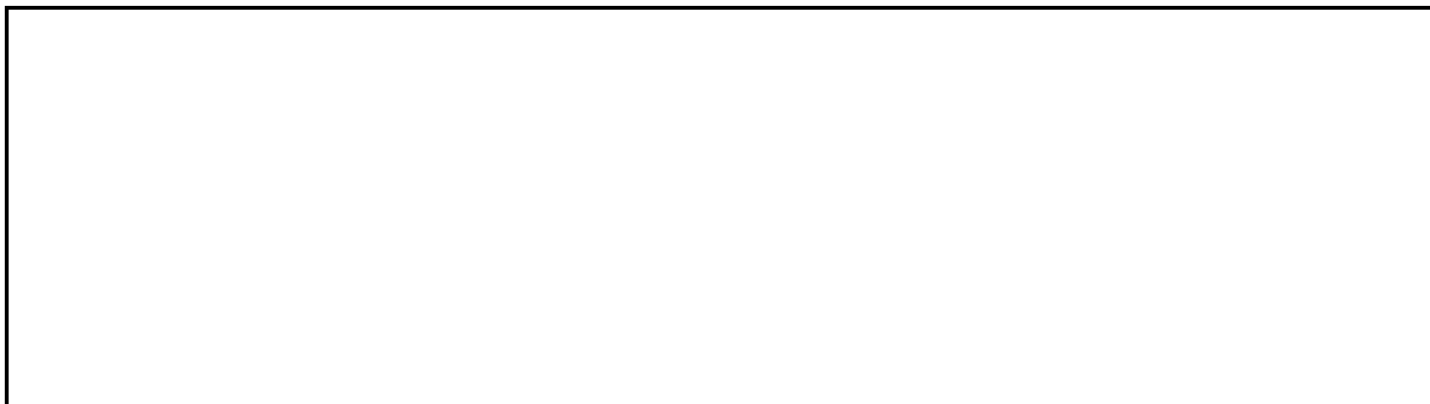
May 17, 1990

MICHAEL J. O'MALLEY - MAYOR
VILLAGE OF HOFFMAN ESTATES,
ILLINOIS;
HOBBS ACT - CORRUPTION OF
PUBLIC OFFICIAL

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b7C
b7D



MICHAEL J. O'MALLEY, former trustee, recently elected Mayor, was previously employed by the Chicago Police Department and the Cook County Environmental Department, was suspected of accepting payoffs.



There were at least two other land development proposals taken before the Village Board wherein O'MALLEY initially voted against the proposals, but several months later changed his vote. In one such action the only change was the

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194-7262-6
ENCLOSURE

MICHAEL J. O'MALLEY

Village of Hoffman Estates losing a \$50,000.00 reimbursement fee from the developer.

Appropriate interviews with city planners, Village trustees and other city officials have failed to substantiate the allegations of wrongdoing. Selected interviews with developers did not result in the obtaining of evidence.

In late 1989, SEARS ROEBUCK AND COMPANY reached a decision to move their corporate headquarters from Chicago to Hoffman Estates. One of the attorneys representing SEARS was an old high school friend of O'MALLEY.

A review of the initial agreements between SEARS, Hoffman Estates and the State of Illinois have not produced any indications of wrongdoing, but their evaluations remain a difficult task.

O'MALLEY has maintained an unusual relationship with a large law firm in Chicago who represent land developers in Hoffman Estates. This law firm sponsored a "fund raiser" for O'MALLEY as he ran for Mayor. While this appeared to be a potential "conflict of interest" the State of Illinois indicated it was not illegal.

On May 2, 1990, Assistant United States Attorney (AUSA)

Chicago is conducting no further investigation.

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